BUDGET RESOLUTION/More Welfare Spending

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1998-2002 . . . S.Con. Res. 27. Domenici motion to table the Dodd amendment No. 296.

ACTION: MOTION TO TABLE AGREED TO, 61-39

SYNOPSIS: As reported, S. Con Res. 27, the Concurrent Budget Resolution for fiscal year 1998, will balance the Federal budget in fiscal year (FY) 2002 by slowing the overall rate of growth in spending over the next 5 years to below the rate of growth in revenue collections (the Congressional Budget Office recently revised upwards its 5-year revenue estimate by \$225 billion).

The Dodd amendment would adjust totals in the resolution to increase domestic discretionary spending by \$15.752 billion in outlays over 5 years and to increase taxes by a commensurate amount. The stated intent of the amendment would be that the additional spending would be on child and maternal welfare programs, and the additional taxes would come from closing existing "corporate tax loopholes." The amendment would also express the sense of the Senate: that funding for Head Start should be at a level sufficient to serve all eligible children; that funding for the Child Care Development Block Grant should be doubled; that the Healthy Start program should be expanded; and that these funding increases should be paid for by eliminating the runaway plant deduction, the "billionaire's loophole," and the exclusion of income from Foreign Sales Corporations, and by making other changes.

Debate on a first-degree amendment to a budget resolution is limited to 2 hours. Debate was further limited by unanimous consent. Following debate, Senator Domenici moved to table the amendment. Generally, those favoring the motion to table opposed the amendment; those opposing the motion to table favored the amendment.

Those favoring the motion to table contended:

Our colleague has proposed an amendment that would break the budget agreement. This agreement has been painstakingly negotiated over the past 5 months. It was very difficult to arrive at, and Members on both sides of the aisle and the White House have

(See other side)							
YEAS (61)			NAYS (39)			NOT VOTING (0)	
Republicans (52 or 95%)		Democrats (9 or 20%)	Republicans (3 or 5%)	Democrats (36 or 80%)		Republicans (0)	Democrats (0)

VOTE NO. 72 MAY 20, 1997

committed to resist changes to it. The welfare programs that our colleagues have proposed spending more money on are meritorious; we note also that those programs have already done very well in this agreement. For instance, the Head Start Program, which has tripled in size since 1990 while almost all other Federal programs have shrunk or remained the same, will get an additional \$2.7 billion over the next 5 years. That amount is equal to the increase that President Clinton, and many Republican and Democratic Members, requested. As has typically been the case over recent years with amendments to increase social spending, this amendment proposes to pay for itself by increasing taxes. In the budget negotiations, Republicans were determined to reduce the size of the Government and to provide tax relief--this amendment violates both those principles, and it violates them to give money to programs which have already done very well in the budget agreement. This amendment should be rejected.

Those opposing the motion to table contended:

This amendment is about priorities. Do we want to keep giving unjustified tax breaks to rich corporations, billionaire expatriates, and other rich Americans, or do we want to invest in our Nation's children? The programs that would see funding increases under this amendment have been getting more money in recent years because they work, and have thus been able to get bipartisan support. However, at the same time, Senators agree that not enough is yet being put into these programs, and the reason given is that the Federal Government does not have enough money. The Dodd amendment would make that money available by cutting existing tax loopholes. Getting rid of tax loopholes for the rich is not just a liberal Democrat proposal. Conservative Republicans have often noted in the past that many loopholes that were enacted supposedly to stimulate investment in particular industries or to otherwise increase economic activity have failed to work. They have said that the result of many of those loopholes has just been to let rich taxpayers off the hook. Given that there is bipartisan agreement that the welfare programs that would be funded by the Dodd amendment are meritorious, and that the loopholes that would be eliminated are unjustified, there is no sound reason to reject this amendment. The budget agreement would not be threatened by agreeing to an amendment that everyone supported. Therefore, we urge the adoption of the Dodd amendment.